

Diversity Metrics: Be Strategic About Your “Grade”

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Law firms compete for two things: clients and talent. Both have easy access to a wide variety of publicly available information concerning the diversity of the lawyers at a law firm. Increasingly, third parties utilize this data to measure diversity performance of individual firms as well as the comparative diversity of peer firms. Consequently, every law firm should strategically monitor its publicly reported diversity statistics to ensure their accuracy and to provide an opportunity to incorporate goals with regard to these measurements into daily operational decisions.

Leaders of law firms, offices, practice groups and client teams need to be aware of the diversity metrics relevant to their leadership roles. Timely information and regular monitoring of key metrics put these leaders in a position to contribute positively to the diversity performance necessary to achieve the firm’s goals. What follows is a discussion of types of diversity information strategic law firm leaders should monitor:

1. The Firm’s NALP Data. Every year, each firm or office of a firm that chooses to interview law students must file a form with the National Association for Law Placement (“NALP”). This form requires firms to provide, among other things, the following diversity information:

- a. number of minority lawyers,
- b. number of women lawyers,
- c. number of gay, lesbian, bisexual or transgender (“GLBT”) lawyers,
- d. number of disabled lawyers, and
- e. number of part-time lawyers.

These forms are available publicly and used by law students, potential lateral candidates, clients and potential clients to learn about firms, either individually by looking at year-over-year performance or relatively as compared to peer firms. The information on this form as well as information provided by the firm on its NALP Workplace Questionnaire are also used by third parties to compare law firms on diversity metrics. For example, Building a Better Legal Profession, a national consortium of law students founded in 2007 by law students from Stanford Law School, www.betterlegalprofession.org, utilizes the NALP form information to prepare “report cards” for law firm offices in eleven legal markets (Atlanta, Boston, Chicago, Manhattan, Miami, Northern California, Pacific Northwest, Philadelphia, Southern California, Texas and

Washington DC) on the following diversity categories: female, Black, Hispanic, Asian, and out GLBT. The site also tracks billable hours.

Another example of NALP data used to create a scorecard on diversity performance among law firms is the Yale Law Women, a group at Yale Law School, annually issues its Top Ten List of Family Friendly Law Firms, <http://www.law.yale.edu/stuorgs/topten.htm>. These rankings are based on information that the law firms provide to Vault.

2. Client Requests. Clients seek diversity data from their legal service providers. The type of data requested varies. Some clients require the designation of the diversity demographics of timekeepers billing hours on their matters, others require firms to provide annually diversity demographics and retention rates for diverse attorneys. Still other clients use their legal service providers' NALP forms to do a comparative analysis of diversity performance and progress.

3. Potential Clients. Many, if not most, requests for proposal to law firms for legal services require some diversity data. As with client requests for diversity data, the type of data sought varies widely.

4. Calls to Action. A number of state, county and city bar associations have issued calls to action on diversity. While the specifics may vary, they normally set goals and measure the performance of law firm signatories with regard to these goals. Goals tend to fall into two broad categories: (1) conduct that positively impacts the recruitment, retention and promotion of diverse attorneys, for example, conducting diversity training, and/or (2) specific diversity demographics of lawyers at the signatory firm, for example, increasing the percent of women partners. Most calls to action have a timeframe associated with meeting the goals and publicly report on signatories' performance at the conclusion.

5. Diversity Report Cards. There are a number of organizations that measure diversity performance and issue a scorecard ranking of law firms on the chosen diversity metrics. While numerous organizations promulgate diversity report cards, what follows are some ideas of places to look for coverage of your firm:

A. Bar Association Report Cards. Many bar associations look at specific diversity demographics of law firms. Here are a few examples:

- The Dallas Diversity Task Force, a collaborative effort of the Dallas Asian American Bar Association, the Dallas Hispanic Bar Association and the J.L. Turney Legal Association, issues an annual report

card on ethnic diversity called Law Firm Diversity Report. It is available at www.diversitytaskforce.com.

- The National Bar Association issues a report entitled Law Firm Diversity Report where they measure racial and ethnic diversity of lawyers practicing at 26 of the largest law firms in a specific geographic area. It is available at www.nba.org.

- The Houston Multi-Bar Diversity Committee, a collaborative effort of the Houston Lawyers Association, and the Hispanic, Mexican American and Asian American Bar Associations of Houston, issues an annual report card on ethnic diversity called Law Firm Diversity Report Card. It is available at www.houstonlawyersassociation.org.

- The Pennsylvania Bar Association's Commission on Women in the Profession has issued an annual report card since 2002. For law firms, the report card measures the number of women lawyers, partners, equity partners and associates. It can be found at <http://www.pabar.org/public/committees/womenprf/pubs/wipreportcards.asp>.

Each of these "report cards" rely on diversity data provide by the firms.

- B. The *Minority Law Journal* promulgates annually a Diversity Scorecard which, until 2008, ranked law firms by the overall percentage of attorneys of color among a firm's total attorneys. In 2008, the Diversity Scorecard also began including a firm's percent of partners of color in determining a firm's ranking.
- C. Local legal publications rank law firms based on diversity demographics, for example the *Chicago Lawyer* publishes annually the "Chicago Lawyer Diversity Survey."
- D. Organizations such as the Human Rights Campaign and Working Women Magazine analyze data voluntarily provided by firms and issue a "grade" on such topics as equal access issues and family friendliness.

Leaders of law firms should be aware of the ways their firms are "graded" on diversity and strategically plan their efforts to achieve the grade desired by the firm. Law firms should be proactive and intentional in managing their public diversity profile. It makes no sense for a firm to be "surprised" by its diversity "grades" or oblivious to the fact that the firm's diversity performance is being publicly measured by a number of sources. At a minimum, a firm needs to

ensure the diversity data it provides is accurate, current and consistent. Law firm leaders should, however, go beyond merely ensuring that good data is provided, and also manage to these same metrics.

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